Ladies and gentlemen,
distinguished guests.

I'm honored to be with you this evening. I love American universities. Several decades ago, I was a graduate student not far from here, at Stanford, and it easily competes for some of the best years of my life. It’s where I learned first hand that American universities are the places where future American leadership are both shaped and forged.

I’m here to tell you a bit about how I see the complexities of today’s world but know that when we hope for a better world, we're thinking of you.

As we approach the end of 2015, it’s clear that we are still in the eye of an unprecedented geopolitical storm.

The world has not witnessed this scale of transformation since the end of World War

I, about 100 years ago. This age of change though – as it did back then- creates challenges, while uncovering opportunities.

Within the global arena, the world order is in a way collapsing, or at the very least shattering into pieces in front of our eyes. There is no single center of geopolitical gravity. Not the bi polar system that we knew for decades during the cold war, nor the multi-polar system that we knew for most of the last 25 years. In fact, there is no pole at all. The whole world has become one big gestalt, a global village, as literally, no single player can tackle any major challenge on its own.

Still, although some will point to the perception that America is weakening, it's not an objective reality. America is still the mightiest power on earth. Militarily, strategically, economically, diplomatically. But perception these days work as a reality. Rivals and competitors, China and

Russia, ISIS, the Ayatollahs in Iran, or Syrian President Assad, they are all probing the American resolve, strength and determination. What will happen in the rest of 2015 and probably throughout 2016 will be the direct consequences of this prodding.

For us in the Middle East, we're in the very eye of this storm. In less than four years, the Arab Spring turned into an Islamist winter. As borders were erased, states turned into non-states or failed states, and centuries-old conflicts are erupting once again.

We are at the frontline of the Huntingtonian clash of civilization between the West and Islam, but at the same time witnessing a struggle within Islam itself, between old traditions and modernism. Between Suna and Shia, and the Wahabis and youngsters in Dubai and Abu Dahbi who are as modern and educated as all of us are.

And Israel is inevitably a part of this storm, simply because it's perceived as an outpost, perhaps the only outpost, of the Western way of life, of the modern world, of the values we all believe in, in an area originally and still mainly controlled by backwardness.

For Israel, this is both good and bad news. The bad news is that the Middle East is a tough neighborhood. Totally different from your Midwest. I always used to joke with American Presidents, telling them: we envy you; we would love Canada as a neighbor! We used to joke that when Moses brought the people of Israel out of Egypt, he was asked by the Lord: where do you want to take my chosen people? Moses stuttered, as you all probably know from the Bible, so he started to say "C… C… C…" so the Lord interpreted it as "Canaan", which is the biblical name of Israel. But he meant Canada.

So, it's really a tough neighborhood. No mercy for the weak, no second opportunity

for those who can't defend themselves. When I was in uniform I once called Israel a "villa in the jungle:" we have the luxuries of the West- the best philharmonic orchestra 500 miles around- but step out of your door, the laws of the jungle prevail, and you have to be aware of it or pay the price.

But there is also good news: Israel is the strongest country a thousand miles around Jerusalem, and it will remain so, both militarily, strategically, and if we maintain our unique relationship with the U.S., even diplomatically. Economically – we are not the richest country, but clearly the one with the most vibrant economy. Israel has more firms or corporations listed on the NASDAQ than any other player outside North America. We probably have more start ups per capita than any other place on earth except for Silicon Valley, where half of Israeli high-tech workers already live there. That's Israel's loss and we would love to see them at home.

So Israel can afford to negotiate with this situation, and initiate certain steps for change towards a better future, be it negotiated peace agreements, or unilateral steps, out of confidence, rather than anxiety.

Yet as there is no single geopolitical center worldwide, cooperation is the only way to tackle issues. And what will be most needed in the coming years, more than anything else, is leadership. Open-eyed, sober, tenacious leadership, ready to look at reality, however dangerous, directly in the eye and be ready to act upon it. Leadership needs to cooperate with others while setting clear priorities for any effective action.

Globally, there are two main issues topping the world's agenda: radical Islamist terror and the Iranian nuclear and hegemonic intentions. This doesn't mean

that the crises in other corners of the world are trivial.

But it's radical Islamist terror that spreads from Marrakech in Morocco to Bangladesh and even to Bali in Indonesia. A region where about 1.3 billion Muslims live, most yearning for the same kind of better lives for themselves, for their children and grand children. A region also housing some extremely frustrated and active terrorists. And in a way, there is certain resonance between this backwardness and the effectiveness of mobilizing power of radical Islam.

It's no longer confined specifically to this region either. You know it all too well, as do the Europeans. We in Israel have suffered from it from the day the state was established.

More than 40 years ago I commanded over the Israeli equivalent of your seal team 6 or the delta forces, long before they came into existence. I found myself, in May of

1972, disguised as an airport mechanic, with overalls and everything, personally leading a raid over a hijacked airplane, the Sabena airplane, that landed in Ben-Gurion airport demanding the release of 300 terrorists. When we stormed it, the armed terrorists deployed explosives all around the cabin, and they were holding several hand grenades without the safety pins. Our plan was to prepare them for taking off, and we even arranged that the prisoners they had asked for would be seen from a distance, being mounted from buses with prisoner clothes into another airplane. But we took them by surprise, and within 90 seconds the shooting was over. Two terrorists were killed, and another two were taken by us. We saved all the passengers, more than one hundred except for one. We had one young officer slightly wounded in his arm – his name was Lieutenant Benjamin Netanyahu, later on our Prime Minister.

Our success in the operation meant that no hijacked plane ever dared to land in Israel. But the terror didn't stop. Just a few months later, during the Munich Olympics, 11 of our athletes were massacred by PLO terrorists. Then, our Prime Minister, Golda Meir ordered that all terrorists that were involved would be eliminated. So I found myself, several months later, early ‘73, disguised as a young lady with everything that entailed, leading a raid to find three of these terrorists in their apartments, in two separate buildings, in a luxurious compound inside Beirut.

We arrived after midnight. I sent the different squads into the two buildings, and waited outside with another stocky blonde at street level. Some 30 seconds later, a door of a red Renault opened on the other side of the street. Mind you, they had weapons in the apartment, bodyguards on the street, and they deliberately rented the two apartments near the Gendarmerie, an armed police station. So the door of the car opens, one of the bodyguards comes

out, opens his leather jacket, pulls out a pistol and starts walking up the street. So I murmured to the blonde, "there’s no choice", and I still remember the shock in this bodyguard’s eyes when he saw us, the two ladies, open their jackets and pull out Uzis and start shooting. He immediately fled into the car, but our shots hit the horn of the car and the whole commotion woke up the whole street. Meanwhile, the bodyguard rolled out from the other side, behind a low stone fence. It took about 90 seconds, and a Landrover came from the Gendarmerie station. But they couldn't understand where the shooting was coming from, and we surprised them from probably 20 yards and opened fire. There was some shouting of wounded people, but we saw them jump behind that same stone fence and they started to exchange fire with us. After another two minutes, another Landrover drove up. They saw the first one crashed into the line of parking cars on the other side of the street, so we had to engage quickly, before they

disembarked. The second Landrover also crashed into the parked cars and now we had two shooting fronts, one 20 yards away, the other from 50 yards. After another two minutes, our squads completed their mission and came downstairs. We climbed into our cars, two American station wagons that Mossad agents rented. I ordered to start driving but was notified that one officer was missing. It was Yoni, the elder brother of Prime Minister Netanyahu, the same Yoni who was killed three years later during the raid on Entebbe. So we stopped to pick him up, and while we did, a third Landrover arrived. Now, we had the whole group shooting back at them, and after throwing hand grenades, we pulled out, leaving back needle-like tetra pods so that anyone who'd try to drive behind us would get flat tires on the spot. The whole ordeal lasted 7 minutes, ending with three terrorists killed, and one of our soldiers slightly wounded. That's all. It took probably less time than it took me to tell you about it now. Within

30 minutes of landing we were back in the Mediterranean swimming to the rubber dinghies that were supposed to take us home.

So these operations very successful, but they never put an end to terrorism. We have continuously fought terror since then, and if there is a lesson here, it is that terror should be fought head on and must be defeated. This is as relevant now as it had been then.

Look at ISIS.
ISIS is weaker than people assume, but the web of terrorist organizations that ISIS is part of is extremely resilient and stable. And since they are only loosely connected, they live on a very tight budget, yet they're mobilizing from a pool of a hundreds of millions of frustrated Muslims, and living among them. This terror hub is made of ISIS, Jabhat al-Nusra and half a dozen of other terrorist organizations in Syria, Lashkar-e-Taiba in India, the Houthis in

Yemen, the Shabaab in Somali, Boko Haram in Nigeria, and Hezbollah and Hamas and more. This is the kind of generations-long fight that our ancestors had with the pirates on the high seas. It demanded close cooperation among leaders of the world in gathering intelligence, arrests, and in operations. It demanded an unflinching political will to stay the course and win. Here too, it won't be easy, because there'll be successes and setbacks, and many painful moments

Embedded in this fight against ISIS are two ironies. The first irony is that Syrian President Assad slaughtered 250 thousands of his own citizens using tanks, artillery, jet fighters, helicopters, even chemical weapons, and it did not suffice to mobilize the British parliament and Prime Minister Cameron, or the US congress and President Obama. Then came ISIS and beheaded two journalists in front of the cameras. It's an old practice in the Middle East and still used by some of our allies,

allies of the free world, within their own monarchies. But this time, it was done in front of the camera, and the video went viral, and within 48 hours the entire world was mobilized against them. Here lies the irony. Although the result was ultimately positive, since the international community woke up to the dangers of ISIS, it's telling of the hollowness of our decision-making processes.

Here's irony number two: If we assume the coalition is successful in suppressing ISIS within one year – a feat that is not impossible – than who won? To the best of my judgment, the winner here is Assad. The coalition eliminated his main opponent- ISIS- and allowed him to focus on the rest of the rebels, those groups who are the moderates so to speak that we are trying to help. The first ones to take note of this paradox were the Turks, at the height of the fight over Kobani. But the Turks were not ready to help the Americans in Kobani, or the Kurds,

without the Americans agreeing to target Assad as well. They even proposed a practical way to do it, and said, let's announce that the Northern region of Syria is a humanitarian zone for refugees, where they can receive international aid. However, in order to keep it safe from Syrian attacks, this region would have to be considered a "No Fly Zone".

They didn't say so explicitly but it was expected that once you impose a "No-fly Zone" you'd inevitably clash with the Syrian air force. This could have created a window of opportunity for the Turkish, American, Emirates' and Jordanian air forces, all of whom are much superior to the Syrians, to destroy the Syrian air force, and destroy their air defense system, command and control system, and change forever the balance of power between the rebels and Assad. But for reasons that are not clear, probably somehow related to the fact that the "Red Line" on the use of chemical weapons was not imposed, a

wide scale action against Assad was not taken.

I strongly believe that a coordinated effort against ISIS could practically destroy it within a year. But you cannot do it with a piecemeal strategy. Every passing month that ISIS still stands on its feet against the US and Sunni-led coalition, creates a huge source of inspiration for the young Europeans-turned-Muslims and others around the world. But when you want to win a war, you have to think twice and in advance. It's not easy, and it's costly – but once you have decided to go forward, you have to execute forcefully and intensively, and win it.

A few remarks about Iran. The Iran nuclear deal is already a done deal. But let me be clear. Israel will remain vigilant and always keep ALL options on the table. The name of the game here is suspect and verify. Behind closed doors we must work jointly with our Intelligence Communities to allocate enough assets to make sure any

violation will be promptly identified. Together, we must define our red lines, and farfetched as it may seem to many by now- define what could bring the military option back to the table.

Under the circumstances created by this deal, the U.S. should consider equipping Israel with the sort of tools that can enable us to carry out a more effective and independent operation if both governments agree that Iran brutally broke the agreement and is charging towards a nuclear weapon.

I of course hope for the better, but the question is whether it will really work. A potentially military nuclear Iran is a challenge for region and world. It will mark the end of a conceivable non-proliferation regime for the world. Saudi Arabia, Turkey, and later on Egypt will all turn militarily nuclear. The countdown towards Prof. Alison Graham's disturbing prediction of nuclear terror will start.

Past experience teaches us some valuable lessons. In the last 35 years there were six second-grade nations who tried to become a nuclear military power. Two of them gave up voluntarily- Libya following Lockerbie under American and British pressure, and South Africa with the change of regime. Two were blocked physically by a surgical attack, the Iraqis and the Syrians. And two others defied the whole world and ended up with nuclear military capability, Pakistan and North Korea. There is no doubt in my mind that the Iranians are trying to move in the footsteps of North Korea. And thus I advise to stick to the Suspect, Verify, and Be Ready to Act plan if / when it breaks down. .Hopefully it won't

Here's a story. I headed our Intelligence Community when the Pakistani nuclear issue was in the headlines, and my equivalent here was a man named Bill Casey, who worked under Reagan. He was

the director of the CIA, and we used to meet every 90 days in Virginia and talk about the same issues. How many sites? How many centrifuges? How much accumulated enriched uranium do they already have? What should be done? No one really suspected that Reagan was soft, and ultimately, it was understood that the Pakistanis are trying to reach nuclear capabilities because they are threatened from India’s military superiority. So the decision was to give them 75 F-16s to build their self-confidence, so they won't need nuclear weapons. But nowadays, many of those F16s are wired to carry Pakistani nuclear weapons. I remember years later, as Prime Minister, sitting down with President Clinton over the satellite photos of the reactor in North Korea, and we went over the same questions. But then five years after, Clinton announced one of the agreements achieved with North Korea, and it was verbatim the same words used by President Obama a few weeks

ago. What the Iranians believe is, if North Korea can do it, why can't we?

So when we Israelis talk about "all options should be on the table," we mean it. The US Armed Forces have the capability to destroy and throw the Iranians back for 5 years, in a pinpointed mission that won't disintegrate into war. I spent most of my professional life in uniform and if we could compare the elements of an attack on Iranian nuclear infrastructure with the one-night operation to kill Osama Bin Laden, it's much closer on the spectrum to the attack on Bin Laden than a war like in Iraq or Afghanistan. And even if the Iranians know exactly what night and hour it will happen, they can't do anything to avoid it. What they can do afterwards is either attack Israel with missiles, or activate Hezbollah to attack Israel with many more missiles from the north. And that's a certain risk that the Israeli government has to take into account. But that's basically it.

The critics ask why settle with a delay, which is limited in its effectiveness in the long-term. Well, on the one hand, you don't know whether an agreement will keep you safe for 15 years, we all remember what happened in North Korea. One morning you wake up to learn that they decided the nuclear inspectors are actually spies, and expel them, and it takes six months to bring them back and no one knows what happened within this half year. Thus, I believe that a kinetic attack is more damaging to Iran than the eye meets.

When Israel attacked the Iraqi reactor, some 30 years ago, no one could seriously argue that we were delaying them by more than 3 and a half years, since in principle, they could simply ask the same French company who built it to take a 30% premium on the price and start building it again, half a mile from the original. But because of the attack, the Iraqis didn’t want to go through it all again.

It's not yet too late to convey to the Iranian leadership, Khamenei and Rouhani, a clear message preferably behind locked doors, that we don’t want to humiliate you, but you have to understand that we mean business. Either you dismantle this military nuclear operation, or else. We're not trigger happy, we don't want to do it, but if you corner us and coerce us into doing it we will not hesitate. They’ll have to listen to it and believe it in order think more rationally about options and .alternatives

I would like to add few words on Egypt. It is the most populated and historically most important Arab country. Egypt was the first to sign a peace agreement with Israel and maintain it, against all odds. I knew Mubarak for 15 years, and knew him well. He was an autocrat, of course, but he was a very effective autocrat that was a great ally to the United States for 30 years, and he found himself almost abandoned after 3

days- some will say 3 hours- after the Egyptian people rallied in Takhrir Square.

I remember sitting with Mubarak in his palace in Alexandria, when the Bush administration announced a free election in Iraq. And he told me, are they crazy? What does a free election mean in Iraq? We are not a Jeffersonian democracy. We're tribal societies. No one loses a minute of sleep during the night before elections contemplating for whom to vote. There are patriarchs of the big family, of the clan, of the tribe, and the patriarchs tell the public how to vote and 90% follow it. So I know in advance, he told me, what the results of the free election will be. A free election in Iraq, because of their Shiite majority, will end up providing or giving Iraq to Iran on a silver platter, which is what happened.

So we learned the hard way in the Middle East to be very modest with our predictions and prophecies, especially in regards to the future.

It's usually said in the Middle East that an optimist is a pessimist with experience. But I prefer to stick to Churchill's words, that the difference between a pessimist and optimist is that “a pessimist sees the difficulties in any opportunity and an optimist sees the opportunities in any difficulty.” I prefer to look at the .opportunities

In Israel we need to focus on the right opportunities, including resuming a working relationship and if possible, even trust with President Obama's White House. Intensifying our intelligence efforts over Iran, setting red lines and ensuring the qualitative military edge with our neighbors is maintained, as well as the military options against Iran. At the same time, in coordination with the U.S, Israel must engage immediately with the moderate neighbors, the Saudis, The Gulf states, the Jordanians, the Egyptians, even Turkey, in a grand framework of a regional security agreement. We have a

huge underlying common interest in fighting the radical Islam, in fighting the nuclear and hegemonic intentions of Iran, and in pushing together a solution to the .Israeli-Palestinian conflict

This last element is not widely accepted in Israel because of the tragic and blood-filled history we have had with our Palestinian neighbors. But that must not distort us from seeing the real interest of Israel. Israel has a compelling imperative, a compelling imperative, to move towards a two-state solution. Many political players in Israel don’t like it, major parts of the population don’t accept it intuitively because it isn’t congruent with the Palestinian terror and violence they endured so often in the streets. But the reasoning is painful but simple: there are 13 million people, 8 million Israelis, 5 million Palestinians in the area between the Jordan River and the Mediterranean. If this entire area is ruled by one political entity named Israel, it will become

inevitably, and that's the key word, inevitably, either non-Jewish or non-democratic, neither of which is the Zionist dream. If millions of Palestinians with clear national aspirations can vote for our Parliament, the Knesset, than a bi-national state par excellence is created, and within a generation or a generation and a half, a bi-national state with a Muslim majority. And if they cannot vote for the Knesset, than that’s not a democracy. I don't want to draw a comparison with another country in the previous century, but as Mark Twain used to say, "history does not repeat itself, but it rhymes.” And we should pay .attention to that

We have the opportunity to embark on this imperative with the rest of the moderate Arab nations that hold our same perception of reality. Yet in order to do so we have to put an end to the illusion that it can somehow be miraculously done with the Arab players giving up on their intention to see the Palestinian issue as their first

priority. It's true that with the Palestinians alone, we Israelis can only give up on something and cannot get a lot. But with the rest of the Arab world it's clear that we have a lot to gain, from legitimacy in the eyes of our neighbors, to opportunities in enormous infrastructure projects, and commercial and economic cooperation. Adapting this approach will enable us to overcome at least part of the friction that we have with the American administration and will pave the way back to a working relationship. In fact, I want to emphasize here, that in spite all our differences with the Obama administration, this President provided unprecedented support for Israel. The Israeli intelligence community enjoys unparalleled cooperation with their American counterparts, and both sides enjoy the fruit of this collaboration. It would not have happened without the backing of the White House. The same applies to the relationship between our defense establishments. We receive the best airplanes on earth, financed mainly by

American taxpayer money. Look at the iron dome, our missile defense system. This is a project backed by billions of dollars, with the wide acceptance of Congress and major support from the professional and political level in the Pentagon, but it couldn't have happened without the commitment of the President. Obama, Biden, Kerry, Carter, Dempsey- they are all part of the solution. And we .have to work together, in the right way

The world still needs America and looks towards Washington to spearhead the way. There is no alternative to your leadership, and it cannot be done without taking certain risks on the world arena. The US economy has come out of the 2008 crisis better than Europe and other regions, except for the Chinese perhaps who are on a different place on the S curve. And it's critical to see the Americans maintain their attitude of being exceptional, but improving their understanding of details .and nuances of the rest of the world

Looking at last 10 years worldwide, and despite the headlines telling us about the never-ending crises, you'll find humankind in a dramatically better situation. Hundreds of millions of people have been taken out of extreme poverty, access to water improved noticeably, there was a sharp decline in infant deaths, and even in the most remote places on earth, there is much better access to medical services and serious coordination combatting major diseases. Learning has been incredibly improved by use of the Internet. You can now study through Khan Academy, led by an American of Indian origin Salman Khan. People around the world are studying online, from early first grade, enjoying the best teachers in math and science from their coffee shop in India, or their living room in Tanzania. And that gives great opportunities for people. Together, these changes amount to a major transformation in the right direction.

But there still so much to do. An estimated two billion humans are still living on less than 4 dollars a day. That's about the amount of money that the European Union subsidizes each individual cow in Europe from birth to the restaurant. We still see too many deprived places that are waiting for modern education.

I used to tell Israelis that when dealing with the fight against terror, we're quite effective in killing mosquitoes, but we need to drain the swamp, because that's the root cause of mosquitoes and malaria. The same applies to the world. We are quite effective in dealing with pointed tasks, but not so when dealing with the root causes. We have to establish a sense of community, a community of nations that sincerely care about each other. Lest we develop this attitude, we won't have a normal life, not here in this continent, not in the Middle East or anywhere else. If so many suffer daily, all of us will suffer.

Beyond what I have told you today, I am most importantly the father of three daughters. I have always them, who are now all grown up, how lucky they are to have been born in the 20th century, and in a place like Israel. But this is not the case for the majority of women worldwide. In order to inherently change the backward-looking situation in much of the world, women need access to high school education. We've seen it in Malaysia, where the reproduction rate decreased and the participation in the work force dramatically rose, all within one generation. When women are educated, and given the equal rights they deserve, there’s no going back, since the women who are now educated will not let it happen.

We are living through an inflection point in History. At the gates of a Second Industrial Revolution. Recent developments in graphic processors, sensors, nanotech, deep learning and

robotics combined with breakthroughs in life science and immune therapies as well as the emerging ripeness in renewable energy technologies create a huge synergy, disrupting the way we live, work, manufacture, entertain, treat our health and interact with others and society as a whole. Within a single generation, we'll have driverless cars and longer and healthier lives, and robots will replace most of our services as well as supporting and then replacing almost any job based on knowledge or common intelligence, from radiologist to a trader. A major fraction of the population in the advanced societies will be not just unemployed but possibly .unemployable

This may pose an immense challenge to the cohesion and solidarity of the politico-social system, the canonical value set and the meaning of social equality and social justice. At the same time those societies who were flexible, highly educated and clever enough to jump first into this new

brave world will have a head start. Heavy investments in R&D, together with openness for an innovative and creative ecosystem, is the precondition for success. The U.S, as well as Israel, is exceptionally better deployed than most other nations to seize this opportunity. Let’s not betray this destiny.

If we focus on these elements, together with a determined world leadership, I'm confident we can succeed on our struggles and create a better world, where the children of the present students here will come here, empowered, pursuing their happiness, ready for self-fulfillment, and include the self-fulfillments of others.

Thank you very much, and God bless you.